

Department of Contracts  
Notre Dame Ravelin  
FLORIANA

To Permanent Secretaries  
Directors General  
Directors  
Heads of Public Sector Organisations

17 February 2017

**UPDATED: REGULATIONS REGARDING THE AWARD OF SERVICE CONTRACTS WITHIN  
PUBLIC ADMINISTRATION – NEW 2017 RATES**

Reference is being made to Contracts Circular Numbers 27/2014, 04/2015 and 20/2016 published with the intent to establish the minimum hourly rates payable to the contractor in the case of cleaning services, street sweepers, care worker services, clerical services and security services. The stipulated rates payable were issued in an effort to mitigate precarious work conditions.

The contents of the aforementioned circulars are now being updated to reflect the rates adjusted with 2017 Cost of Living Adjustment (COLA) as approved by the Ministry for Social Dialogue, Consumer Affairs and Civil Liberties. These rates, nevertheless, are to be deemed as temporary, until the Collective Agreement of Public Service employees is signed.

<i>Type of Employment</i>	<i>Government Salary Scale</i>	<i>2017 Hourly Rates Payable to Contractors (excl VAT)</i>						
		<b>Basic Rate</b>	<b>Vacation Leave</b>	<b>Bonus /Weekly Allowance</b>	<b>Public Holidays</b>	<b>N.I.</b>	<b>Average 6 days sick leave</b>	<b>Total Worker's Cost*</b>
<b>Cleaners (Offices)</b>	20	€4.68	€0.61	€0.25	€0.36	€0.47	€0.15	€6.52
<b>Street Sweepers</b>	20	€4.68	€0.61	€0.25	€0.36	€0.47	€0.15	€6.52
<b>Cleaners (Hospitals and Elderly Homes)</b>	18	€5.31	€0.69	€0.25	€0.40	€0.53	€0.17	€7.35
<b>Care Workers</b>	17	€5.66	€0.74	€0.25	€0.43	€0.57	€0.18	€7.83
<b>Clerical / Security</b>	16	€6.02	€0.78	€0.25	€0.46	€0.60	€0.20	€8.31

It is important to underline that these new rates are payable and applicable to all new service contracts entered into for the year 2017. In the case of tenders already issued but not yet awarded, the contract shall be drawn up using the tender conditions and specifications as published, however, an addendum to the contract shall then be issued reflecting the above mentioned hourly rates covering 2017. It is imperative that Contracting Authorities publishing new service tenders include the above mentioned minimum hourly rates in the procurement documents.

An approval is to be sought for an addendum to be issued in respect of service contracts, which at present are in the implementation stage and which contracts were pegged to the rates stipulated through the Contracts Circular 27/2014 and Contracts Circular 04/2015. The estimated increase in the awarded Contract Value is also to be specified in the request. The above rates are also applicable during any extension periods of those contracts awarded prior to 1<sup>st</sup> January 2015 which are to expire in 2017.

The addendum is to be drawn up in line with the above hourly rates covering 2017 and should specify that the new rates applicable are those in the 'Total Worker's Cost\*' column respectively. Therefore, irrespectively of the rate tendered for and awarded to any given Contractor, the difference between the 2017 Total Workers' Cost and the 2016 Total Workers' Cost should be paid as a variation to the Contractor.

**\* Total workers' Cost refers to the total cost in Contracts Circular 04/2015 and this Circular.**

Contracting Authorities are encouraged to submit any queries to the Department of Contracts' customer care service on [info.contracts@gov.mt](mailto:info.contracts@gov.mt) or +356 21220212.

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